

Capital: Sarajevo
Size: 31,816 square miles, slightly smaller than West Virginia
Population: 4.0 million (2004)
Religion: Muslim, Orthodox, Roman Catholic, and others.
Language: Bosnian, Serbian and Croatian
Population Growth Rate: 0.45% (2004 est)
Life Expectancy: Females, 75.5 years, Males, 69.8 years
GDP: \$8.6 billion (2004 est)
GDP per capita: \$2,000 (2004 est)
GDP Growth Rate: 5.1 % (2004 est)
Foreign Direct Investment: \$460 million (2004)
BiH Presidency, rotating among three: Borislav Paravac, Sulejman Tihic and Dragan Covic
BiH Ambassador to the U.S.: Igor Davidovic



National Interest: Ten years since the signing of the Dayton Peace Accords that brought an end to the hostilities and started the transition to peace and stability in Bosnia and Herzegovina, the Balkans remains a critical region for U.S. foreign policy and security interests. The USG has provided over \$1 billion to BiH, beginning with humanitarian assistance during the five year war, and reconstruction to support refugee returns and business finance programs to support rapid economic recovery in the immediate years after the war. The program has transitioned from post-conflict relief and assistance to economic restructuring, establishment and growth of small and medium enterprise and democratic development. BiH is undertaking the arduous transition from international oversight to self reliance. Hopes of membership in Euro-Atlantic structures – NATO and the EU – drive its reform efforts.

OVERVIEW OF USAID'S FOCUS IN BOSNIA AND HERZEGOVINA

FY05: Total AEEB \$41.0 million , USAID Total \$23.4 million

Economic Restructuring (FY 05 \$6.7 million, 29%): USAID's program to accelerate the development of the private sector includes activities that are strengthening the competitiveness of small and medium enterprises (SMEs) in agribusiness, wood processing and tourism, and systematically removing business impediments facing them through legal, regulatory and administrative reforms. Improving competitiveness of SMEs is done by forging public-private partnerships that facilitate market integration and cluster formation. Various initiatives are under way to reduce taxes while broadening the tax base, increase labor mobility and flexibility, make the commercial law regime more competent and efficient, and streamline permits and inspections affecting SMEs.

Multi-Ethnic Democratic Society (FY 05 \$13.1 million, 56%): USAID's assistance focuses on activities designed to strengthen and improve the accountability of political parties and legislatures; facilitate an environment for the functioning of more responsive, transparent and accountable governance at the local, municipal and entity levels; increase citizen participation in political and social decision making; and strengthen legal systems that expand transparent access to justice for all citizens.

Minority Returns (FY 05 \$650K, 2.5%): USAID's program assists minority returnees and displaced persons to return to their homes thus re-establishing a multi-ethnic society. The program focuses on providing access to basic utilities and services and improving economic self-sufficiency. USAID supports grants and income generating loans to minority returnees, agricultural associations in returnee communities, and other returnee community groups.

Cross Cutting (FY 05 \$2.9 million, 12.5%): USAID is working in several initiatives that cut across the three strategic objectives represented above. These initiatives include participant training, anti-trafficking, children at risk and anti-corruption.

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